



August 6, 2009

Board of Governors of the Federal Reserve  
20<sup>th</sup> & C Streets NW  
Washington, DC 20551

Re: Interim Final Rule Implementing the Credit Card Accountability Responsibility and Disclosure Act (CARD Act)

To the Honorable Board of Governors:

I am writing to you regarding our concerns with the provision in the CARD Act requiring periodic statements to be mailed at least 21 days before the payment due date on all open-end loans. Our credit union is in compliance with the CARD Act as it relates to credit cards, but find the 21 day notice requirement for other open-end loans difficult to implement and harmful to our members.

Under our current open-end program, members are able to choose payment dates that best fit their budget, and approximately 90% of our members choose dates that coincide with their payroll. The majority of these loans are on bi-weekly or semi-monthly payments. The payment amounts and frequencies are disclosed at the time the advance is funded. If advances are taken out on these loans, new disclosures showing the new payment amount and frequency are provided. These loans are also reported on monthly periodic statements, including next due date, daily periodic rate, beginning and ending balances, transactions showing principal and interest breakdowns, etc.

Under the new law, statements would not be able to be sent out 21 days before the due date for any loans being paid weekly, bi-weekly, or semi-monthly. Forcing the members to pay monthly will cost them more in interest, and eliminating their option to choose a due date that works best for their budget could cause them financial hardships. In addition, we will not be able to change approximately 5,000 of our existing loans to a monthly pay schedule and provide adequate notice to our members by the August 20, 2009 effective date.

I urge you to delay implementation of the 21 day notice requirement for these types of loans for several months to give credit unions time to make these necessary changes and notify members, or until clarification can be obtained by Congress as to their intent for open-end loans that are not credit cards.

Sincerely,

Kim D'Ambra  
EVP